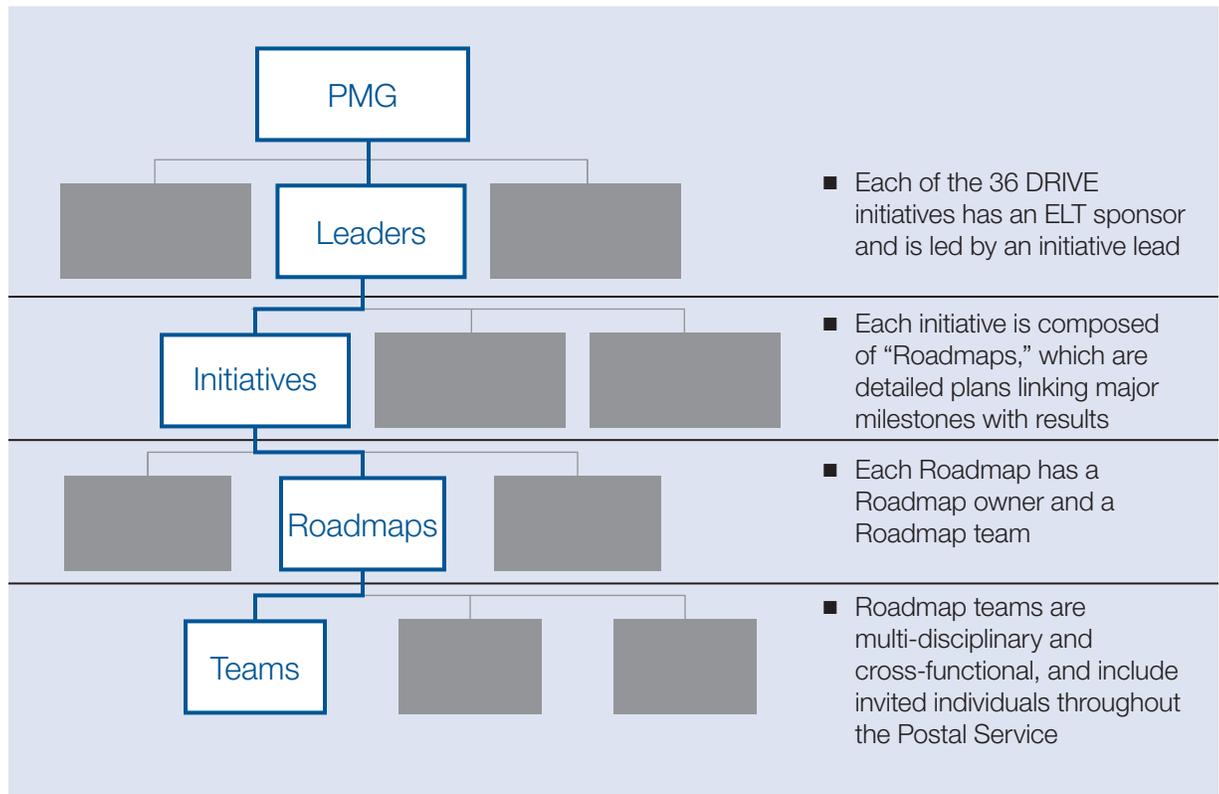


DRIVE (Delivering Results, Innovation, Value and Efficiency) is a management process the Postal Service is using to improve business strategy development and execution. It is based on a well-established methodology used by many corporations to apply strategic and financial rigor to decision making, and to navigate through significant organizational changes. DRIVE is focused on a portfolio of 36 strategic initiatives that the Postal Service will implement to meet its ambitious performance and financial goals. The DRIVE process is a structured approach to organizing operational and management activities that facilitates cross-functional dialogue and collaboration, provides streamlined reporting and accountability, and incorporates measurement, analysis, and evaluation of initiatives. The DRIVE process and portfolio of initiatives will help the Postal Service improve business performance at an accelerated pace to meet the critical needs of operating in today's competitive and challenging marketplace.

The DRIVE structure begins with the Postmaster General and the Executive Leadership Team, who are collectively responsible for overseeing the DRIVE portfolio. The ELT will review all DRIVE initiatives on a regular basis, evaluate progress, and make judgments about the composition of the portfolio.

The DRIVE structure



The Strategic Management Office (SMO) facilitates the DRIVE process and is embedded into each initiative for the purpose of aiding Roadmap design, providing DRIVE training to new team members, and coordinating cross-initiative and interdependent activities.

The DRIVE process is built upon a well-established methodology, which provides senior leaders with exceptional visibility into project design, early identification of risks and barriers to success, and ongoing measurement of progress against milestones. DRIVE also is grounded in exception- and value-based reporting, which emphasizes reporting on Roadmap deviations and new opportunities, and the impacts of reaching high value milestones.

Core elements of the DRIVE process include:

- Constructing a portfolio of strategic initiatives – in support of core business strategies
- Developing initiative charters – which define scope, goals, Roadmaps and key team members
- Designing Roadmaps – which identify key metrics, milestones, activities, resource requirements, interdependencies, and project risks
- Rigor testing Roadmaps – to ensure planning/structure is capable of achieving desired financial results and strategic outcomes
- Disciplined tracking and management – complete visibility elevates Roadmap deviations and informs senior-level interventions

Ongoing ELT initiative and Roadmap reviews will occur on a twice monthly basis:

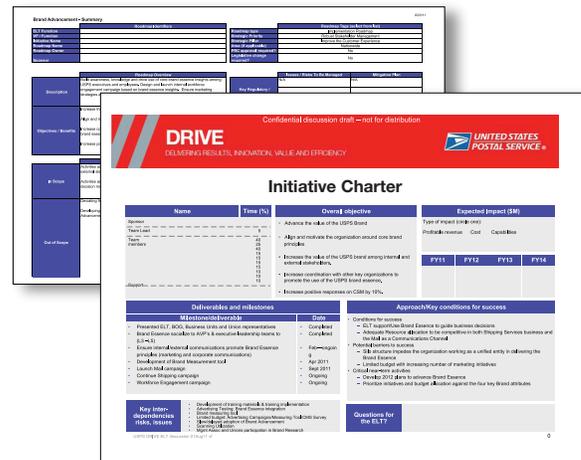
- Exception-based reporting via the DRIVE dashboard will determine initiative and Roadmap reviews
- The ELT will conduct deep-dive (1 hour) reviews of 10 initiatives monthly
- Initiative leads and supporting team members will meet in the week prior to scheduled deep-dive reviews and exception-based reporting to prepare/refine ELT presentations

Elements of the DRIVE process

Reporting for Roadmaps that comprise the DRIVE portfolio of initiatives is captured in a software program that will output an executive level dashboard. The DRIVE dashboard provides senior leaders with a quick snapshot of progress across the portfolio of initiatives, and enables deeper analysis of Roadmap activities and design.

Each Roadmap and its status is constantly evaluated through a system of “traffic lights.”

DRIVE is not a grading system. DRIVE provides senior leadership with greater visibility into project status, and provides Roadmap owners with a ready mechanism for drawing attention to emerging issues.

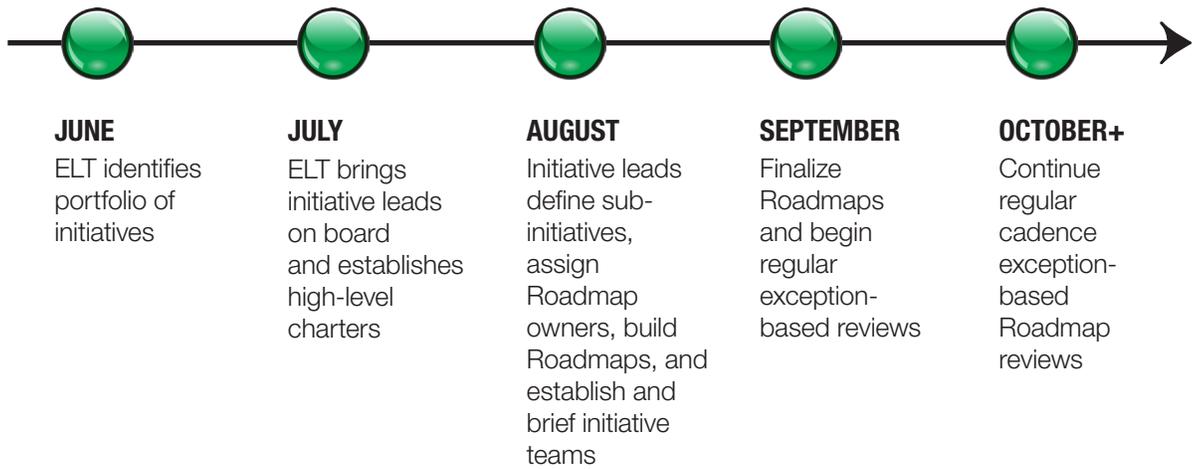


DRIVE Traffic Lights



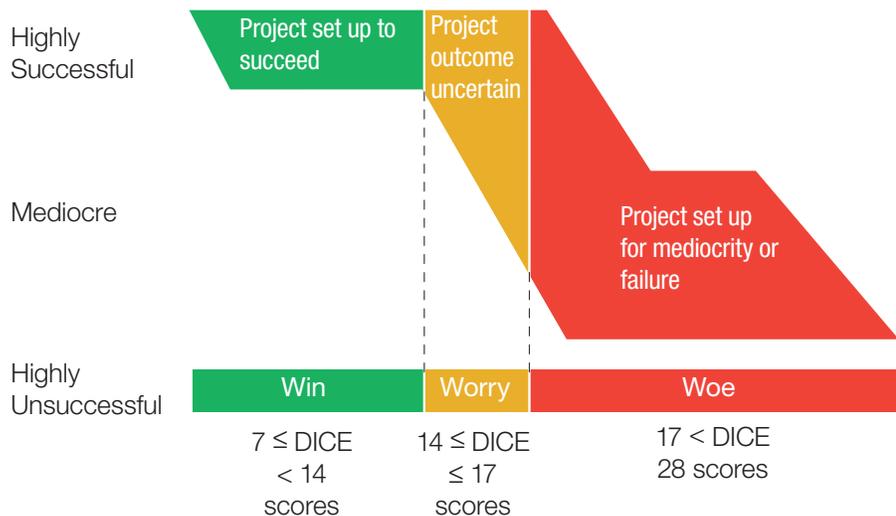
- Green**
Achieving Roadmap milestones
- Yellow**
Issues developing that require ELT awareness
- Red**
Elevating issues requiring Roadmap reappraisal/course correction

The DRIVE timeline began in June 2011 with the design of the DRIVE process and the DRIVE portfolio. DRIVE reporting and Roadmap review will be a regular, established ELT-led function by the end of September.



DICE scores quantify likely project outcomes and highlight key risks. Each initiative is evaluated according to metrics associated with Duration, Integrity, Commitment and Effort to understand whether adequate conditions exist for the initiative to be successful. Applying DICE methodology throughout the portfolio of DRIVE initiatives enables ELT members to understand if expected outcomes are realistic, identify and mitigate barriers to success, and determine whether to improve or abandon specific initiatives.

DICE: Likely outcomes



For a list of the initiatives in the Drive Portfolio see page four ►

The DRIVE portfolio of 36 initiatives comprises those vital projects and activities necessary for the Postal Service to achieve core business strategies and performance goals.

Priority	Strategic Initiative	Initiative Team Lead
Infrastructure and Operations Optimization	1. Network optimization	David Williams
	2. Delivery optimization	Dean Granholm
	3. Access optimization	Kelly Sigmon
	4. Facilities management and disposal	Tom Samra
Total Labor Cost	5. Collective bargaining/management consultation	Doug Tulino
	6. HR compliance	John Mularski/Linda DeCarlo
	7. Dispute resolution (Grievances/Arb/EEOC)	Thais Mootz
	8. Workforce optimization	Deborah Giannoni-Jackson
	9. USPS Retirement & Health Care Plans	Bob Dufek
Product and Services Growth	10. Shipping growth	Marc McCrery
	11. Transaction mail preservation	Steve Monteith
	12. Marketing mail growth	Dave Mastervich
	13. Global growth	Giselle Valera
	14. Digital and hybrid mail growth	Chandra Briggman
	15. Pricing optimization	Greg Dawson
Enabling and Empowering Systems	16. Increasing Sales Force effectiveness	Cliff Rucker
	17. Commercial mail acceptance transformation	Pritha Mehra
	18. Enterprise payment technology	Pritha Mehra
	19. IT portfolio rationalization	John Edgar
	20. Product visibility	Jim Cochrane
Robust Stakeholder Management	21. Public Trust & Information Security	Chuck McGann
	22. Ongoing legislative & regulatory agenda	Marie Therese Dominguez
	23. Brand advancement	Sam Pulcrano
	24. Sustainability	Tom Day
Robust Employee Engagement	25. Customer experience	Susan LaChance
	26. Top talent development	Susan McKeen
	27. Employee engagement	Sean Lacey
	28. Talent recruiting and retention	Jeryl Wilson
	29. Internal communications and stakeholder management	Emil Dzuray
Financial Capabilities and Cash Management	30. Revenue systems	David Corey
	31. Costing systems	Tim O'Reilly
	32. Cash management	Elizabeth Schafer
	33. Supply Chain integration	Susan Brownell
Executive Transparency	34. Update core decision processes	Emil Dzuray
	35. Integrated calendar	Emil Dzuray
	36. Financial tracking	Steve Masse

If you are invited to join a DRIVE team, congratulations! You will be asked to complete DRIVE training and you may have certain reporting responsibilities. A percentage of your time will be allocated to your DRIVE responsibilities.

Additional resources are available on a dedicated DRIVE page on Blue-Strategic Planning. Additional training, tools and guidance are available by contacting DRIVE Strategic Management Office. For additional information contact: Emil Dzuray at 202-268-6740 (emil.j.dzuray@usps.gov) or J Otis Smith at 202-268-3024 (jotis.smith@usps.gov).